

VZCZCXRO3921
PP RUEHFK RUEHKSO RUEHNAG RUEHNH
DE RUEHKO #1707/01 1720828
ZNR UUUUU ZZH
P 200828Z JUN 08
FM AMEMBASSY TOKYO
TO RUEHC/SECSTATE WASHDC PRIORITY 5281
INFO RUEKJCS/SECDEF WASHDC PRIORITY
RHEHAAA/THE WHITE HOUSE WASHINGTON DC PRIORITY
RUEAWJA/USDOJ WASHDC PRIORITY
RULSDMK/USDOT WASHDC PRIORITY
RUCPDOG/USDOC WASHDC PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
RUEKJCS/JOINT STAFF WASHDC//J5//
RHHMUNA/HQ USPACOM HONOLULU HI
RHHMHBA/COMPACFLT PEARL HARBOR HI
RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA//
RHMFIUU/USFJ //J5/JO21//
RUYNAAAC/COMNAVFORJAPAN YOKOSUKA JA
RUAYJAA/CTF 72
RUEHNH/AMCONSUL NAHA 0874
RUEHFK/AMCONSUL FUKUOKA 8496
RUEHOK/AMCONSUL OSAKA KOBE 2222
RUEHNAG/AMCONSUL NAGOYA 6754
RUEHKSO/AMCONSUL SAPPORO 9081
RUEHBJ/AMEMBASSY BEIJING 4028
RUEHUL/AMEMBASSY SEOUL 0024
RUCNDT/USMISSION USUN NEW YORK 0440

UNCLAS SECTION 01 OF 10 TOKYO 001707

SIPDIS

DEPT FOR E, P, EB, EAP/J, EAP/P, EAP/PD, PA;
WHITE HOUSE/NSC/NEC; JUSTICE FOR STU CHEMTOB IN ANTI-TRUST DIVISION;
TREASURY/OASIA/IMI/JAPAN; DEPT PASS USTR/PUBLIC AFFAIRS OFFICE;
SECDEF FOR JCS-J-5/JAPAN,
DASD/ISA/EAPR/JAPAN; DEPT PASS ELECTRONICALLY TO USDA
FAS/ITP FOR SCHROETER; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR;
CINCPAC FLT/PA/ COMNAVFORJAPAN/PA.

E.O. 12958: N/A

TAGS: [OIIP](#) [KMDR](#) [KPAO](#) [PGOV](#) [PINR](#) [ECON](#) [ELAB](#) [JA](#)

SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 06/20/08

INDEX:

- (1) Foreign Minister Koumura urges U.S. to continue to designate North Korea a terrorist-supporting state: "Removing sanctions on North Korea should be conditioned on start of reinvestigation of abduction issue" (Sankei)
- (2) Foreign Minister Koumura meets Hill, urges "strengthening the framework so that we speak with one voice" (Sankei)
- (3) U.S. declares it will take North Korea off nuclear blacklist; Pyongyang's nuclear declaration in final phase; Nuclear weapons unlikely to make declaration (Nikkei)
- (4) Abe, Yamasaki criticize each other (Asahi)
- (5) Editorial: U.S. Secretary of State Rice's unconvincing statement to delist North Korea (Sankei)
- (6) Postponed start-up of constitutional panels in both houses; "Illegality" impermissible (Yomiuri)
- (7) Probe into divided Diet - part 1: Unusual battle over gas tax; "Do not stop stopgap bill," Ozawa orders (Yomiuri)
- (8) Divided Diet (Part 3 - conclusion): Interview with Nobuo Ishihara and Jun Iio (Nikkei) 8

ARTICLES:

- (1) Foreign Minister Koumura urges U.S. to continue to designate

North Korea a terrorist-supporting state: "Removing sanctions on North Korea should be conditioned on start of reinvestigation of abduction issue"

SANKEI (Internet edition) (Full)
June 20, 2008

Foreign Minister Koumura, at a news conference this morning following a meeting of the cabinet, made this statement about the timing of removing partial sanctions that have been imposed on North Korea: "At this stage, all we have between Japan and the DPRK is an oral commitment. Once North Korea reinvestigates (the abduction victims) and the investigation turns up living persons who will be sent home (to Japan), that can be called real progress. We can at that point remove the sanctions." He thus expressed his view that the condition would be the start of a reinvestigation that was accompanied by substance.

In addition, he noted: "However, if such is not the case, we could take a step backward." In case the reinvestigation by North Korea lacked honest contents, there could be a restoration of sanctions. On the standard of what would be considered a substantive reinvestigation, he pointed out, "The government will make that judgment."

With regard to the statement by U.S. Secretary of State Rice that the U.S. would begin procedures to remove North Korea from the list of states sponsoring terrorism once the North Koreans provide a nuclear report, he expressed his understanding, saying, "She said in her speech, 'If they want to be removed from the list, then they should properly report'. It doesn't mean that the U.S. stance has

TOKYO 00001707 002 OF 010

changed."

On the other hand, the Foreign Minister pointed out, "Our stance is that Japan's card (of North Korea being on the designated list of terrorist-sponsoring states) will no longer be able to be used." He said he would clearly ask Secretary Rice, when she visited Kyoto June 26-27 for the G-8 foreign ministerial meeting, to continue to list North Korea.

(2) Foreign Minister Koumura meets Hill, urges "strengthening the framework so that we speak with one voice"

SANKEI (Internet edition) (Full)
June 20, 2008

Foreign Minister Koumura this morning met at the Foreign Ministry with U.S. Assistant Secretary of State Hill and Kim Sook, the director for peace negotiations for the Republic of Korea's Foreign and Trade Ministry. The three officials exchange views on how to strengthen the trilateral framework on North Korea nuclear issues and the resolution of the abduction issue. Komura stated: "We must speak with one voice to North Korea. I would like us to have even closer talks." Attending the meeting was the Foreign Ministry's Asia and Pacific Affairs Bureau Director-General Saiki, Japan's senior delegate to the Six-Party Talks.

(3) U.S. declares it will take North Korea off nuclear blacklist; Pyongyang's nuclear declaration in final phase; Nuclear weapons unlikely to make declaration

NIKKEI (Page 3) (Abridged)
June 20, 2008

In the wake of Secretary of State Condoleezza Rice's announcement on Washington's policy to delist North Korea as a state sponsor of terrorism, momentum is gathering for the six-party talks to resume after a lapse of six months. A meeting of the chief delegates is expected to take place to closely examine the contents of North Korea's nuclear declaration, which is expected to be made as early as later this month. The North is likely to present a declaration that does not include its nuclear weapons. Will the North make a substantial declaration envisaging the whole process up to abolishing its entire nuclear program? The six-party talks will face

a moment of truth.

Through past coordination centering on the United States and North Korea, the six-party talks agreed to separate two factors -- nuclear proliferation and the highly enriched uranium (HEU) program -- from the declaration. The questions of nuclear weapons and nuclear test sites have also been postponed and will be dealt with in scrapping the North's entire nuclear program. Bilateral and trilateral talks have been held since mid-May. The six-party talks are gaining momentum toward the completion of the second-phase, which requires Pyongyang's nuclear declaration and disablement.

In her speech on June 18, Secretary Rice categorically said that nuclear weapons are a matter for the third phase, indicating Washington's intention to accept a declaration that does not include nuclear weapons. She also indicated that the number of nuclear weapons can be figured out from the amount of plutonium the North has produced.

TOKYO 00001707 003 OF 010

U.S. puts high priority on verification

Rice also noted that efforts will be made to thoroughly verify the accuracy and completeness of the North's declaration and that if that is found out to be insufficient, such steps as the re-imposition of sanctions and the cancellation of the delisting might follow.

From the start, there has been a gap in views between Japan and the United States, which puts high priority on efforts to prevent nuclear technologies and components from spreading to the Middle East and terrorist organizations. Directly exposed to the threat of North Korean nuclear weapons, Japan cannot afford to overlook Pyongyang's declaration devoid of such weaponry.

U.S. eyes third phase

Rice also indicated that with the disablement of nuclear facilities, the North is becoming a safer country to the United States and its allies. The Bush administration is already crafting a strategy for the third phase.

Chinese Vice Foreign Minister Wu Dawei, too, told reporters on June 19: "We must step up talks on measures for the next phase." Wu is scheduled to hold talks with U.S. Assistant Secretary of State Christopher Hill in Beijing on the night of June 20 to discuss a timetable for heads-of-delegation meetings and other matters. Japan, which has been insisting on a complete declaration of nuclear programs, including nuclear weapons, is likely to lean toward approving the U.S. policy if the abolition of the entire nuclear program is ensured in the third phase.

The announcement by Rice of the U.S. policy of delisting the North is intended to urge Pyongyang to take action, such as making a nuclear declaration. In order to delist the North, the President must notify Congress of his decision 45 days in advance. Defining this period as a moratorium, the Bush administration intends to convince hard-line congressional members.

The House Foreign Affairs Committee adopted in April a bill requiring a complete and correct declaration of nuclear programs and effective verification in order to delist the North. Congress is controlled by the Democratic Party. Senator Barack Obama, who has locked up the Democratic presidential nomination, advocates a dialogue policy toward the North. Chances seem slim for the bill to clear the Senate and to be made into law.

U.S. administration wants to pave way for denuclearization of North Korea before time runs out

The U.S. administration is eager to pave the way for the abolition of North Korea's nuclear programs before President Bush's term of office expires next January. Counting backwards from then, the Bush administration could not wait any longer to have Rice announce the delisting. The administration also intends to play up its diplomatic

achievement by bringing an end to the second phase through the six-party talks. In August, the Beijing Olympics will take place, and Congress will recess for the summer. The two major parties will be engulfed in a confrontational mood in September, with the presidential election just two months away. Given the situation, the second phase must be completed by the end of July.

TOKYO 00001707 004 OF 010

(4) Abe, Yamasaki criticize each other

ASAHI (Page 4) (Full)
June 20, 2008

Former Prime Minister Shinzo Abe, known for his hard-line stance toward North Korea, and Taku Yamasaki, chairman of the Parliamentary League to Promote Diplomatic Normalization between Japan and North Korea, who advocates the need for a dialogue approach, have continued to criticize each other on their respective policy line toward North Korea. Abe, calling Yamasaki's moves dual diplomacy, criticized him by saying: "What he is doing does no good and causes a lot of harm." Yamasaki then yesterday rebutted: "I am not a politician linked to interests. I have my doubts about the character of a politician who slanders someone."

Abe was the one who started the criticism. In a speech on June 12 in the Naigai News, he said: "It does no good and a lot of harm." Yamasaki immediately rebutted: "No progress was made by taking sanctions alone. (Mr. Abe) is naive." Abe, who heard this, said on June 18: "If lawmakers say something that laxer than what is said by government officials in talks, it hurts the government and I would that interest seeking."

Referring to the fact that Abe used the word "interests," one member of the Yamasaki faction argued yesterday in a faction meeting: "That's defamation of character." Yamasaki sent a letter to Abe calling on him withdraw the remark and make an apology.

(5) Editorial: U.S. Secretary of State Rice's unconvincing statement to delist North Korea

SANKEI (Page 2) (Full)
June 20, 2008

U.S. Secretary of State Condoleezza Rice said that North Korea would soon present a declaration of its nuclear programs to China and that President George W. Bush would then notify Congress of the intention to delist North Korea as a state sponsor of terrorism.

The Bush administration has so far insisted that North Korea must produce a complete and accurate declaration of its nuclear programs and permanently disable its nuclear facilities as conditions for the United States taking off Pyongyang its list of terrorism-sponsoring nations.

However, Secretary Rice's statement meant that if North Korea makes an accurate declaration, the U.S. government will remove the North from the list of state sponsors of terrorism. Since it means that the United States will reverse its long-held stance, it goes without saying that it is extremely regrettable.

Secretary Rice also said that she cannot trust North Korea in view of its past history. She also mentioned that the Bush administration would assess the level of North Korean cooperation during the 45 day period before implementing the delisting of North Korea after notifying Congress. But the logistic step for the U.S. government is to take the delisting procedure after assessing the contents of the declaration.

Secretary Rice only referred to the abduction issue by saying: "The United States has supported talks between Japan and North Korea on

TOKYO 00001707 005 OF 010

the tragic abduction of Japanese nationals. The United States never

falls silent regarding human rights problems."

Two years ago when President Bush met Sakie Yokota, the mother of abductee Megumi Yokota, released a message that the United States would never forgive North Korea's abduction of Japanese nationals. Where has that message gone?

The U.S. decision to delist North Korea could have a fundamentally adverse effect on the Japan-U.S. alliance.

Meanwhile, the Japanese government has decided to partially lift its sanctions against North Korea following the latest working-level talks between Tokyo and Pyongyang. The government has begun stressing its stance of asserting the North's reinvestigation into the abduction issue.

In a meeting yesterday of the House of Representatives Special Committee on Abduction Issue, Chief Cabinet Secretary Nobutaka Machimura stated: "If the North takes concrete action on the reinvestigation, Japan will respond accordingly." Machimura had said that if Pyongyang altered its conventional position that the abduction issue had been resolved, Tokyo would assess it a certain level of progress and it would partially remove sanctions.

The government finally took the principle of "action for action." That's natural. This tells strong public criticism and backlash against the government's policy of partially lifting sanctions in return for Pyongyang's vague promise to reinvestigate the abduction issue.

The question is what action North Korea will really take. Japan should not forget that North Korea has been dishonest. The government should engage in negotiations with Pyongyang keeping in mind that the public will not accept a reinvestigation that does not lead to the repatriation of all the Japanese nationals abducted to North Korea.

(6) Postponed start-up of constitutional panels in both houses;
"Illegality" impermissible

YOMIURI (Page 4) (Full)
June 20, 2008

By Political Department Deputy Chief Riichiro Maeki

Nearly one year has passed since a decision was made to establish special Constitution research committees of the two Houses of the Diet. But it was impossible again in the current Diet session to start up them, faced with opposition from the Democratic Party of Japan (DPJ) and other opposition parties.

It will become possible to propose revising the Constitution starting in 2010. Prior to this, the new committees will provide an arena for discussing constitutional issues. The National Referendum Law, which was enacted in May of last year, specifies that the committees shall be started up on the opening day of the Diet session to be held for the first time after the enactment of the law. The day corresponding to this stipulation was August 7 of last year. Although two more sessions were held since then, rules on the conduct of proceedings at the committees have yet to be set. Its chairman and members have not been appointed, either.

TOKYO 00001707 006 OF 010

It is abnormal that lawmakers have not followed the law they formulated themselves. The House of Representatives' Secretariat calls the situation a "state of legal nonconformity," avoiding the use of the word "illegality." But DPJ House of Councillors Steering Committee Chairman Takeo Nishioka has recognized the deferment of the start-up of the committees as an illegal act.

The ruling coalition did not stand idly by. Liberal Democratic Party's (LDP) Constitution Research Council Chairman Taro Nakayama and Acting Chairman Gen Funada made efforts to set the panels into motion during the current Diet session.

One of the efforts is a signature-collection activity by a suprapartisan constitutional assembly chaired by former Prime Minister Nakasone. This January, the group submitted a signature book bearing the names of 245 Lower House members to Lower House Speaker Kono and a book with 73 Upper House members' signatures to Upper House Chairman Eda. But the heads of the two Houses did not take action during the session.

Nakayama and other lawmakers called on local assembly members of the LDP and issued one petition after another calling for swiftly starting up the panels. The number of petitions accepted was 44 in the Lower House and 57 in the Upper House.

Who is to blame for the current situation? In the DPJ, many are posing questions about the process that led to enacting the legislation. The law was enacted by a majority only from the ruling parties in May last year as they failed to reach an agreement with the DPJ. Since the DPJ won an overwhelming victory in the Upper House election last July, this issue has been completely at standstill.

DPJ President Ozawa has said that although the Constitution is an important issue, its order of priority is lower than issues related to the people's livelihoods. However, the DPJ Constitution Research Council's chairmanship has been left vacant since last year.

The DPJ is aiming at grabbing political power without arranging even a system to deal with important issues. Can such a political party be called a responsible party? We call for the DPJ's serious reflection.

(7) Probe into divided Diet - part 1: Unusual battle over gas tax; "Do not stop stopgap bill," Ozawa orders

YOMIURI (Page 4) (Excerpts)
June 20, 2008

The regular Diet session is to close on June 21. The clashes between the ruling and opposition parties have become severe in the divided Diet, as can be seen in the first-ever passage by the Upper House of a censure motion against the prime minister. In an unprecedented move, both camps engaged in a battle over a crucial issue of whether to maintain the provisional rate imposed on the gas tax, using every possible means to outmaneuver the other.

"Let it happen; don't stop it."

When he learned that the ruling parties were looking into a bill aimed at extending the provisional rates on the gasoline and other

TOKYO 00001707 007 OF 010

related taxes, which were to expire on March 31, for two months (stopgap bill), Democratic Party of Japan (DPJ or Minshuto) President Ichiro Ozawa reportedly ordered party members not to prevent the move.

Some senior government and ruling party officials had looked into submitting such a bill since last year. The objective was to keep the provisional rates in place until a revote would be taken on the tax code-related bills in the Lower House on the basis of the 60-day rule and pass them by a two-third majority vote. There is a legal measure that if the upper house fails to take final action within 60 days after receipt of a bill passed by the lower house, the lower house can consider the bill rejected by the upper chamber, paving the way for a second vote on it in the lower house.

Ozawa had been aware of such a move as of the end of the year. However, he stopped short of resisting the move. It appears that he believed that even if the DPJ boycotted Diet deliberations, opposing the ruling party's bill, the public would understand its stance. He believed that if the party claimed that a bill that disregards the presence of the Upper House is unconstitutional, this would enable the DPJ to corner the government and force the ruling parties to dissolve the Lower House.

Upper House Speaker Kono and Upper House President Eda moved to

avoid a decisive confrontation over the stopgap bill. They presented a compromising plan for reaching a certain decision within this fiscal year, after pursuing thorough deliberations.

Secretary General Hatoyama persuaded Ozawa, saying, "If the boycott of deliberations continues, party members would become unable to hold together." The DPJ in the end accepted the compromise plan. Following the move, the ruling parties retrieved the stopgap bill.

"I will sew up revision talks, " says prime minister

Prime Minister Fukuda expressed his anger to a senior ruling party member in late March, when the provisional gas tax was about to expire. That is because the official had sounded out measures to deal with the situation after the expiration of the provisional rate.

The gap between the ruling and opposition parties, which was supposed to have been narrowed thanks to a compromise plan by the Lower House Speaker and the Upper house President, once again widened at that time, triggered by the roll call on the fiscal 2008 budget bill and a set of tax code-related bills on February 29, while DPJ members were boycotting the session. The DPJ put the tax code-related bills on the back burner for a month in the Upper House, insisting that the compromise plan had been invalidated.

Even so, the prime minister tried to find a breakthrough in revision talks with the DPJ. He ordered the start of the revision talks at an LDP executive meeting on March 3. He on the 14th directly worked on the DPJ to hold the talks at an Upper House Budget Committee meeting.

However, the DPJ's response was tepid, as its aim was to realize a dissolution of the Lower House. The ruling and opposition parties on March 31 passed a special tax measures law excluding special-purpose road construction revenues, such as the gas tax, and the provisional rate on the gas tax expired on April 1.

TOKYO 00001707 008 OF 010

Effective measures not in sight

The opposition parties did not put tax code-related bills to a vote by the end of April. As a result, the ruling parties readopted the bills for the first time in 56 years, using a 60-day legislation measure enabling the Lower House to proceed as if the Upper House has rejected the bill and put it to a second vote for final approval. As a result, the provisional rate was reinstated on May 1. However, the unusual situation has continued over this issue, including the second adoption of an amendment to the road construction fiscal resources special exemption law by the ruling parties in the Lower House.

The ruling parties have resisted the opposition camp, which rules the Upper House, with a strategy of taking in the Lower House a revote on bills voted down in the Upper House. Both the ruling and opposition parties have thus fought, using their weapons to the full. The compromise plan presented the Lower House Speaker of the Upper House President was not effective in settling their confrontation.

(8) Divided Diet (Part 3 - conclusion): Interview with Nobuo Ishihara and Jun Iio

NIKKEI (Page 2) (Full)
June 18, 2008

Nobuo Ishihara, former deputy chief cabinet secretary: Prime minister must explain important policies by himself

-- How do you view the battle between the ruling and opposition parties in the current session of the Diet?

Ishihara: There are issues on which the two sides cannot coordinate views due to differences in their philosophies. The Democratic Party of Japan (DPJ) has tried to abolish the government-drafted health

insurance system, even though it has not presented any other proposal. I don't think it's good for the party, which aims to take over the reins of government.

When the Liberal Democratic Party (LDP) suffered a crushing defeat in the House of Councillors election held after Prime Minister Noboru Takeshita and his cabinet resigned en masse, deliberations in the Upper House stalled. But the ruling and opposition parties dealt with important bills through discussion. Therefore, there was no boycott of all deliberations as there is now.

-- How did you face up to the opposition camp while you were serving as deputy chief cabinet secretary?

Ishihara: The UN Peacekeeping Operations Cooperation Law was established under the cabinet of Prime Minister Kiichi Miyazawa. In order to enact the law, I tenaciously bowed my head to get understanding from the opposition. What I had on my mind (while I was serving for the cabinet of Prime Minister Morihiro Hosokawa and other cabinets) was administrative consistency. Policy consistency should be maintained. The rice import issue, the most controversial issue, was resolved under the Hosokawa cabinet. Under the cabinet of Prime Minister Tomiichi Murayama, the Self-Defense Force Law was revised and the consumption tax was raised.

TOKYO 00001707 009 OF 010

-- What do you think of the role of prime minister?

Ishihara: It is important for prime minister to explain about important policies by their own words. Prime Minister Koizumi showed his political identity in dealing with postal privatization and Yasukuni issues. He steamrolled the medical insurance issue on the grounds that fiscal reconstruction was needed.

Mr. Fukuda has a tendency to avoid friction. With a shrinking population, the most important job for prime minister is to combine his wisdom with that of the people to keep public vitality.

Jun Iio, professor at National Graduate Institute for Policy Studies: Make clear points at issues through party-heads debate in Diet

-- There was noticeable turmoil in the disputes between the ruling and opposition camps during the current Diet session.

Iio: It is valuable to make concessions, (the ruling and opposition camps) should reach, compromise after thoroughly deliberating on bills. If a compromise cannot be reached after thorough deliberations, the bill will return to the House of Representatives for a revote, and bills on which the House of Councillors fails to take final action within 60 days after they had been sent from the Lower House, the legislation can be passed by the Diet. Therefore, it is wrong to say that nothing can be decided in the divided Diet, under which the opposition camp controls the Upper House, while the Lower House is controlled by the ruling bloc.

I wanted to see a party-heads debate every week. Even if the party heads are unable to find common ground, the points at issue will become clear. If the public wants the ruling and opposition parties to make concessions, compromises will be made. If the ruling and opposition camps are unable to compromise on issues, they will become campaign issues for the next Lower House election.

-- Do you think the political parties are not making the best use of their campaign pledges (manifestos)?

Iio: It is necessary to create a new rule that would stipulate that manifestos for a Lower House election are promises to the public, and that a party, which was defeated in a Lower House race, should give consideration to the Lower House even if it has a majority in the Upper House.

-- Do you think Prime Minister Fukuda can give his administration a boost?

Iio: The Prime Minister has the right to dissolve the Lower House. But many think that he won't be able to do so. He should make others believe that he may do so.

-- What do you think of the strategy of Democratic Party of Japan (DPJ) President Ichiro Ozawa?

Iio: The principle of his behavior is unclear. I think party-heads debate should be held every week. Why doesn't Fukuda question Ozawa? Since he became prime minister, he has been questioned.

-- Maneuvering for political realignment has already begun.

TOKYO 00001707 010 OF 010

Iio: Political realignment should not occur after a Lower House election because the Lower House members' make campaign promises to the public when they run for their seats. Forming a new party this way is not good.

SCHIEFFER